



The Deputy Secretary of Energy
Washington, DC 20585

October 17, 2006

MEMORANDUM FOR HEADS OF DEPARTMENTAL ELEMENTS

FROM: CLAY SELL *Clay Sell*
SUBJECT: FUNCTIONAL ACCOUNTABILITY

In an effort to improve the financial, human capital, information technology, legal, procurement and public affairs functions in the Department of Energy (DOE), the Secretary announced, in a memorandum dated May 23, 2006, a functional accountability initiative intended to give heads of these functions the proper oversight and accountability for their respective areas throughout the Department. To execute the necessary changes, a Functional Accountability Working Group composed of the six functional heads within the Department was formed. The Functional Accountability Working Group also included representation from the Office of the Secretary, all Under Secretaries, Field Offices, and Power Marketing Administrations who participated during Working Group meetings.

The Functional Accountability Working Group has concluded its preliminary assignment of developing this initiative with the objective of improving the effectiveness and efficiency of their functional areas. The Department of Energy Functional Accountability Corporate Implementation Plan (attached) is how we will integrate the Secretary's Functional Accountability initiative into the day-to-day management of these functions.

The Department will still require that functional heads and applicable Principal Secretarial Officers (PSO), Field Managers and other line management officials continue to advocate and coordinate functional accountability activities in a systematic and integrated way. Therefore, I expect continued corporate cohesiveness during the implementation of our new approach to functional accountability that will improve our ability to accomplish the mission of the Department.

Attachment



Printed with soy ink on recycled paper



Department of Energy Functional Accountability *Corporate Implementation Plan*

Introduction:

In an effort to improve the financial, human capital, information technology, legal, procurement and public affairs functions in the Department of Energy (DOE), the Secretary announced a functional accountability initiative intended to give heads of these areas the proper oversight and accountability for their respective areas throughout the Department. To execute the necessary changes, a Functional Accountability Working Group composed of the six functional heads within DOE was formed. The members of the Working Group are the Chief Financial Officer, the Chief Information Officer, the General Counsel, the Senior Procurement Officers, the Director of the Office of Public Affairs, and the Chief Human Capital Officer. The Functional Accountability Working Group also included representation from the Office of the Secretary, all Under Secretaries, Field Offices, and Power Marketing Administrations who participated during Working Group meetings.

Successful integration of the Secretary's Functional Accountability initiative into the day-to-day management of DOE will require that functional heads and applicable Principal Secretarial Officers (PSO), Field Managers and other line management officials continue to advocate and coordinate functional accountability activities in a systematic and integrated way.

Each Functional Head has determined who is within their functional group by position and current incumbent for each organization. (See attached list)

Corporate Implementation of the Seven (7) Line Authorities.

The following is the corporate approach; however, Functional Heads may negotiate exceptions to this corporate plan with applicable PSOs, Field Sites, etc., that must be documented in their Functional Area Implementation Plans in accordance with the Secretary's Memorandum dated, May 23, 2006.

Line authorities 1 through 5 will apply to the positions/employees on the attached list for each functional area. Consistent with the Secretary's May 23, 2006 memorandum, the ability of the functional heads to exercise line authorities 1 through 5 will apply only to the highest ranking functional official in a field office or Headquarters office who is not already an employee of the functional head's organization or program office. Line authorities 6 and 7 will apply to all of the employees in the functional organization in a field or headquarters office who are not already employees of the functional head's organization or program office.

Concurrence will be assumed for all actions if no response is received within timeframes described below.

1) Concurrence with existing management on the establishment of positions, including grade level, appointment type and scope of duties.

This authority will be implemented by obtaining the functional head's concurrence on actions that establish and/or affect appointment type, grade level, and/or scope of duties for the identified accountable position. The package submitted to the functional head must include a draft of the vacancy announcement and a description of how the position will be advertised and how long it will be open, as well as a description of the process that will be used to recruit for, rank, interview and select the successful candidate. Concurrences on position establishment should be on position description coversheets. Functional heads will have 5 working days from receipt of a complete package to concur, non-concur, or concur with comments back to the requesting office. Any resulting differences shall be resolved by these management officials within 5 working days. The position cannot be established prior to this process. The Office of Human Capital Management will institute procedures for servicing personnel offices to verify that concurrence of the functional head is obtained prior to establishment. Effective immediately, all actions coming to the Executive Resources Board will follow this process.

2) Concurrence in the selection of new hires.

This authority will be implemented, first, by obtaining the functional head's concurrence on the text of the job announcement (including, in the case of an SES position, the technical qualifications set forth in the announcement). Second, by obtaining the functional head's signature on the selection certificate. The selection package submitted to the functional head must include a copy of the selectee's application. Functional heads will have 5 working days from receipt of a complete package to concur, non-concur or concur with comments back to the requesting office. Any resulting differences shall be resolved by these management officials within 5 working days. The selection cannot be effective prior to this process. The Office of Human Capital Management will institute procedures for servicing personnel offices to verify that concurrence of the functional head is obtained prior to a formal offer of employment being made. Effective immediately, all actions coming to the Executive Resources Board will follow this process.

3) Concurrence on compensation, performance recognition, and retention, recruitment and relocation matters.

This authority will be implemented by obtaining the functional head's signature on the SF-52. The package submitted to the functional head must include a statement explaining the need for the action. Functional heads will have 5 working days from receipt of a complete package to concur, non-concur, or concur with comments back to the requesting office. Any resulting differences shall be resolved by these management officials within 5 working days. The personnel action cannot be processed prior to this process. The Office of Human Capital Management will institute procedures for servicing personnel offices to verify that concurrence of the functional head is obtained prior to processing. Effective immediately, all actions coming to the Executive Resources Board will follow this process.

4) Active participation in performance management, including the development of performance standards, concurrence on performance ratings of record, and consultation and coordination on disciplinary actions.

For the FY 2006 performance cycle, line management will provide a copy of the relevant performance plans to the functional heads, and informally consult with the appropriate functional heads prior to finalizing the performance rating.

Beginning in the FY 2007 performance cycle, all draft performance standards will be submitted by appropriate rating officials to the functional head. The functional head will submit any comments within 10 working days. The functional head will be informally consulted by the rating official prior to the issuance of any mid-cycle reviews. At the end of the rating period the rating official will obtain the concurrence of the functional head before the performance rating is submitted to the reviewing official. The functional head should be given a minimum of 5 working days to review the proposed rating. In the event that the functional head and line management have

differences regarding the performance rating: (1) for members of the SES, the divergent ratings will both be documented on the appraisal form, discussed with the SES employee, and presented to the Performance Review Board, with an explanation of the disagreement, (2) for all other employees, any resulting differences shall be resolved by these management officials within 5 working days. The Office of Human Capital Management will institute procedures to carry out this process and amend position descriptions, as needed.

With regard to disciplinary actions, the functional head should be advised as early as practicable in the process and be given the opportunity to fully consult on the appropriate level of discipline.

- 5) Actively participate in employee development, including the ability to require that incumbents have certain specified core competencies and the ability to require certain training.

Functional heads do not need to be consulted on training initiated by line management. Any requirements made by the functional head must take into account budgetary constraints and workload.

- 6) Concurrence on reorganizations and requests for workforce shaping authorities such as the Voluntary Separation Incentive Program, Voluntary Early Retirement Authority, and reduction in force impacting or affecting the function.

Any proposed reorganization or workforce shaping authority impacting or affecting the function must be submitted for the concurrence of the functional head. Functional heads will have 10 working days from receipt of a complete package to concur, non-concur, or concur with comments back to the requesting office. Any resulting differences shall be resolved by these management officials within 5 working days. The Office of Human Capital Management will institute procedures to verify that concurrence of the functional head is obtained prior to processing.

- 7) Actively participate, through the Corporate Program Review process, with respect to budgets for the respective functional activities.

The process for exercising this Line Authority is currently being developed by the CFO, in consultation with the functional heads, for corporate use beginning with the FY 2009 budget.

Corporate Operating Principles:

The successful implementation and day-to-day management of a fully integrated functional accountability approach to the management of the Department of Energy is dependent upon effective and cooperative participation by functional heads, Principal Secretarial Officers (PSO) and field office managers. Accordingly all of these management officials will:

- work together to implement an effective approach to functional accountability that improves our ability to accomplish the missions of the Department; and
- make every effort to be responsive and timely to requests for input and concurrence

Attachment: Members of Functional Groups

Members of Functional Accountability Groups

Note: Membership by
position and current
incumbent as of 10-17-
06.

ORG	HUMAN RESOURCES (draft)	PROCUREMENT (draft)	GENERAL COUNSEL(draft)	PUBLIC AFFAIRS (draft)	FINANCIAL (final)	IT (draft)
BPA	Kim Leathley (Acting)	N/A	Randy Roach	Christy Brannon	David J. Armstrong	Larry Buttress
	Human Resources Officer		Senior VP and General Counsel		VP, Finance and CFO	Chief Information Officer
CF	Howard Borgstrom	N/A	N/A	N/A	N/A	Warren Huffer
	Dir., CFO Bus. Ops. Ctr.					Act. Dir. Ofc. of Corp Inf. Sys.
CI	Dan Woome	Arlene Estep	N/A	N/A	N/A	Arlene Estep
	Mgt. Analysis Officer	Administrative Officer				Administrative Officer
CIO	Kevin Cooke	Kevin Cooke	N/A	N/A	N/A	N/A
	Assoc. CIO for Bus. & Infor.	Assoc. CIO for Bus. & Infor.				
ED			N/A		N/A	
EIA	Howard Gruenspecht	Howard Gruenspecht	N/A	Howard Gruenspecht	N/A	Howard Gruenspecht
	Deputy Administrator, EIA	Deputy Administrator, EIA		Deputy Administrator, EIA		Deputy Administrator, EIA
EE - HQ	Linda Whitted	N/A	N/A	Patrice Pisinski	N/A	Steve VonVital/Dennis Barlett
	Supv. Man. & Prog. Analys.			Dir., Ofc. of Tech. Adv. & Out.		Lead Info.Tech.Spec/Info.Tech
EE- Golden	Christine Phoebe	Jerry Zimmer	John Herrick		Timothy A. Rea	Teri Harris
	Administrative Officer		Chief Counsel		Finance Team Leader	Lead Info. Tech. Specialist
EM - CBC	Helene Taylor (Acting)	Ralph Holland	Mell Roy	Anne Wickham	Clarence H. Schlag	Ward Best
	Lead Human Res. Spec.		Supv. Attorney-Advisor		Asst. Director, Ofc. of Financial Mgmt.	
EM - PPPO	N/A		N/A		N/A	
EM - RL	George Sanders	Anthony Lorenz	Betty Hollowell	Colleen French	Jean F. Schwier	Dana Kranz
	Program Manager	Supv. Contract Specialist	Chief Counsel	Public Affairs Specialist	Asst. Manager, Admin	Info. Tech. Spec.(Pol. & Plan)
EM-ORP	Carrie Fetto	Michael Barrett	Scott Stubblebine	Erik Olds	N/A	N/A (Richland Ops)
	Liaison Specialist	Supv. Contract Specialist	Attorney-Advisor	Public Affairs Specialist		
EM - Sav River	Frank Wright	Craig Armstrong	Lucy Knowles	Rebecca Craft	Sarah A. Blanding	Ronald Bartholomew
	Human Capital Officer	Supv. Contract Specialist	Chief Counsel	Lead Public Affairs Spec.	Chief Financial Officer	Security Officer

**Members of Functional Accountability
Groups**

ORG	HUMAN RESOURCES (draft)	PROCUREMENT (draft)	GENERAL COUNSEL(draft)	PUBLIC AFFAIRS (draft)	FINANCIAL (final)	IT (draft)
FE - HQ	Ed Kilroy		N/A	John Grasser	N/A	Robert Ladesic
	Supv. Management Analyst			Supv. Public Affairs Spec.		Lead Info. Tech. Specialist
FE - NETL	Kathy Fear	Dale Siciliano	Thomas Russial	David Anna	Sharon K. Marchant	Mark Cerullo
	Human Resources Officer	Supv. Procurement Analyst	Chief Counsel	Supv. Public Affairs Spec.	Chief Financial Officer	Supv. Info. Tech. Spec.
FE - NPR	N/A		N/A		M. Janet Boulanger	
					Financial Manager	
FE - SPRO	Arvel Callwood	Gary Landry	Lansen Barrow	Joann Rochon	Sheldra Wormhoudt	John O'Brien
	Personnel Mgt. Specialist	Supv. Bus. Mgt. Officer	Chief Counsel	Spec. Asst. to the Manager	Dir., Planning and Financial Management Division	Supv. Info. Tech. Specialist
GC	Dan Bullington	Dan Bullington	N/A	N/A	N/A	Dan Bullington
	Supv. Accountant	Supv. Accountant				Supv. Accountant
HR	Jerry Venanzi	Bonny Woods	N/A	N/A	N/A	Bonny Woods
	Program Manager	Admin. Support Specialist				Admin. Support Specialist
SP	Lesley Gasperow	Lesley Gasperow	N/A	N/A	N/A	Lesley Gasperow
	Dir., Ofc. of Resource Mgt.	Dir., Ofc. of Resource Mgt.				Dir., Office of Resource Mgt.
Intel	Mike Ortmair	Carrie Brown	N/A	N/A	N/A	Jay Wiegmann
	Supv. Intel. Research Spec.	Telecommunications Spec.				Dir., Info. Sys. & Dissem. Div.
LM	Celinda Crawford	N/A	N/A	N/A	N/A	Terry Brennan
	Supv. Business Mgt. Spec.					Lead Bus. Mgt. Specialist
MA	Marilyn Dillon	Marilyn Dillon	N/A	Marilyn Dillon	N/A	Marilyn Dillon
	Dir., Exec. Ops. & Support			Dir., Exec. Ops. & Support		Dir., Exec. Ops. & Support
NE - HQ	Susan Harlow	Susan Harlow	N/A	Betsy Connell	N/A	Susan Harlow
	Budget Officer	Budget Officer		Senior Adv. for Ext. Affairs		Budget Officer
NE - IDAHO	Dave Desautel	Mike Adams	Amy Grose	Brad Bugger	Christine Ott	Scott Applonie
	Human Resources Officer	Supv. Contract Specialist	Chief Counsel	Lead Public Affairs Spec.	Chief Financial Officer	Lead Info. Tech. Specialist
OE	Arlene Richardson	N/A	N/A	Vernellia Johnson	N/A	N/A
	Management Analyst			Program Analyst		
PA	Arlene Estep	Arlene Estep	N/A	N/A	N/A	N/A
	Management Analyst	Management Analyst				

**Members of Functional Accountability
Groups**

ORG	HUMAN RESOURCES (draft)	PROCUREMENT (draft)	GENERAL COUNSEL(draft)	PUBLIC AFFAIRS (draft)	FINANCIAL (final)	IT (draft)
PI	Jonathan Mathis		N/A		N/A	
	Program Analysis Officer					
RW	Sonja Green	Suzanne Mellington	N/A	Allen Benson	N/A	Zoe McDonald
	Supv. Human Resource Adv.	Dir., Office of Procurement		Supv. Public Affairs Spec.		Supv. Info. Tech. Specialist
SC - HQ	Karen Dickenson			Peter Lincoln	N/A	TBD (At HQ)
	Human Resources Officer			Senior Comm. Advisor		
SC - Chicago	Regina Griswold	John Greenwood	Steve Silbergeld	Gary Pitchford	Thomas C. Foley	
	Human Resources Officer	Asst. Mgr. Acquisit. & Asst.	Chief Counsel	Supv. Public Affairs Spec.	Chief Financial Officer	
SC - Oak Ridge	Patricia Howse-Smith	Judy Wilson	Vacant	John Shewairy	Judith M. Penry	
	Administrative Officer	Supv. Contract Specialist	Chief Counsel	Supv. Public Affairs Spec.	Chief Financial Officer	
SEPA	Carol Rice	Frances S. Deal	Denver L. Rampey	Melissa Sease	Leon Jourolmon, Jr.	Joel W. Seymour
	Human Resources Officer	Procurement Analyst	General Attorney	Public Affairs Specialist	Asst. Administrator, Finance and Marketing	Administrative Officer
SWPA	Cheryl Crosswell	Cris Vanhorn	Larry Yadon	N/A	Gary L. Swartzlander	Katherine Thomas
	Human Resources Officer	Supv. Contract Specialist	General Counsel		Asst. Administrator, Ofc of Corporate Services/CFO	Supv. Info. Tech. Specialist
WAPA	Frances Telles	Debra Bean	Liova Juarez	LaVerne Kyriss	Harrison G. Pease	J. Eun Moredock
	Human Resources Officer	Supv. Contract Specialist	General Counsel	Supv. Public Affairs Spec.	Chief Financial Officer	Chief Information Officer